

CIVIL CASE COVER SHEET

BH 1607AS

Check one: ☐ CHANCERY COURT ☒ CIRCUIT COURT Docket NO. 09c199Date 2-3-09 Attorney of RecordI. Origin ☒ Original Proceeding ☐ Case Reopened ☐ Counter-claim ☐ Cross-claim ☐ 3rd Party Claim ☐ Intervening Claim
☐ Answer/Initial Responsive Pleading ☐ Other (Specify)

II. Type of Action (Check one)

Domestic Relations

☐ 361 Paternity ☐ 362 Legitimation ☐ 363 Adoption ☐ 364 Surrender
☐ 371 Divorce with minor children ☐ 372 Divorce without minor children ☐ 381 Order of Protection ☐ 391 Interstate Support-Incoming
☐ 392 Interstate Support-Outgoing☐ 401 Other Domestic Relations (Specify)

General Civil

☒ 461 Contract/Debt ☐ 462 Specific Performance ☐ 471 Damages/Torts ☐ 481 Real Estate Matter
☐ 491 Workers Compensation ☐ 501 Probate ☐ 511 Juvenile Court Appeal ☐ 512 General Sessions Appeal
☐ 513 Appeal from Admin. Hearing ☐ 571 Conservatorship ☐ 572 Guardianship ☐ 573 Trust☐ 581 Miscellaneous General Civil (Specify)Other ☐ 541 Judicial Hospitalization

Petition for: (Reopened Cases)

☐ 381 Order of Protection ☐ 382 Contempt ☐ 383 Residential Parenting/No Child Support
☐ 384 Residential Parenting/Child Support ☐ 385 Child Support ☐ 387 Wage Assignment Hearing
☐ 551 OtherIII. Total amount sued for \$ _____ Specific type of damages or relief sought Disability Benefits
Statutory authority for suit, if any _____IV. Check one: ☐ Affidavit to proceed in forma pauperis ☒ Cost Bond Surety D. Seth HollidayV. JURY DEMAND (Check YES only if demanded in complaint) ☒ YES ☐ NO

VI. RELATED CASES (if any) Docket NO. _____ Judge _____

Date filed _____ Status _____

VII. PLAINTIFF/PETITIONER INFORMATION (List additional parties on supplemental form.)

I. Name Williamson Michael _____
Last First MiddleDOB 12-9-1957 Driver's License # _____COMPANY NAME _____
ADDRESS 241 Shelby Street
CITY Jackson STATE TN ZIP 38301

EMPLOYER _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

ATTORNEY D. Seth Holliday BPR # 023136
ADDRESS 414 McCallie Avenue
CITY Chattanooga STATE TN ZIP 37402
PHONE 423-684-2506

VIII. DEFENDANT/RESPONDENT INFORMATION (List additional parties on supplemental form.)

I. Name _____
Last First Middle☐ AKA ☐ DBA ☐ BNF

DOB _____ Driver's License # _____

COMPANY NAME The Prudential Insurance Company of America
ADDRESS through Commissioner of Tennessee Department
CITY at Commerce Insurance 500 James Robertson
EMPLOYER Parkway Suite 140 Nashville TN 37243-1121 STATE TN ZIP 37243-1121

ADDRESS _____

CITY _____ STATE _____ ZIP _____

TYPE OF SERVICE REQUIRED

☐ Out of County Sheriff ☐ Publication (specify)☐ Local Sheriff ☒ Other (specify) Certified mail return receipt☐ Secretary of State Special Instructions _____☒ Comm. Of Ins.

IX. ASSOCIATED PARTY (Uninsured Motorist Carrier) INFORMATION

I. Name _____ Address _____

Type of Service (specify) _____

Are additional plaintiffs or defendants listed on a separate sheet? ☐ YES ☒ NO



FILED IN OFFICE
2009 FEB 18 PM 2:36
KOLA T. THOMPSON, CLERK
BY [Signature] BC

09C199
Eric L. Buchanan*
*Licensed in Tennessee
and Georgia*

R. Scott Wilson*
Licensed in Tennessee

D. Seth Holliday*
*Licensed in Tennessee
and Illinois*

To Whom It May Concern:

I Julie Howard, certify that I have served the Summons together with the Complaint as follows:

On February 11, 2009, I delivered a copy of the Summons and Complaint to the Defendant, The Prudential Insurance Company of America by and through Tennessee Department of Commerce and Insurance, 500 James Robertson Parkway, Suite 660, Nashville, TN 37243-1121, via certified mail return receipt number 7155 5474 4100 7789 1434

[Signature]
Signature

Julie Howard
Print Name

2.18.09
Date

SUBSCRIBED and SWORN to

Before me this 18th day of February 2009

[Signature]
Notary Public



* Certified as a Social Security Disability Specialist by the Tennessee Commission on Continuing Legal Education and Specialization



7155 5474 4100 7789 1434

PS Form 3800, 2/04

FILED IN OFFICE

STATE OF TENNESSEE	COURT (Must be completed) <i>Circuit</i>	COUNTY (Must be completed) <i>Hamilton</i>
SUMMONS	PAULA T. THOMPSON, CLERK BY <i>WP</i> DC	file no. <i>09C199</i> (Must be completed) division <i>I</i> (Large counties only)
		2009 FEB -3 PM 2:55
Plaintiff (Name: First, Middle, Last) <i>Michael Williamson</i>	Defendant (Name: First, Middle, Last) <i>The Prudential Insurance Company of America</i>	

TO: The Defendant Named Above

☐ [Alternative 1: residence address]☐ [Alternative 2: employer's name and address]☐ [Alternative 3: other suitable address]

*Certified mail by and through Commissioner
of the Tennessee Department of Commerce &
Insurance 500 James Robertson Parkway
Suite 1400 Nashville TN 37243-1121*

You are hereby commanded to answer and make defense to a Complaint which has been filed in this case. Your defense to this Complaint must be filed in the office of the clerk of this court on or before 30 days after service of this Summons upon you. If you fail to do so, judgment by default will be taken against you for the relief demanded in the Complaint.

WITNESSED and issued this 3 day of February
20 09

Paula T. Thompson

Name and Title of Clerk

By

N. Belev

Deputy Clerk

Received this _____ day
of _____, 20____

/s/

Deputy Sheriff

7155 5474 4100 7789 1434

FEES

CERTIFIED MAIL

Eric Buchanan & Associates, LLC
414 McCallie Avenue
Chattanooga TN 37402

Form 3800, 2/04

COMPLETE THIS SECTION ON DELIVERY
A. Signature of Addressee or Agent
B. Receipt By (Print Name)
C. Date of Delivery
D. Addressee's Address (if different from address used by Sender)
Secondary Address / Suite / Apt. / Floor (Please Print Clearly)
Delivery Address
City State ZIP + 4 Code

[Signature]

FEB 11 2009

BY

RETURN RECEIPT REQUESTED

Article Addressed To:

The Prudential Insurance Company of America
by and through
Tennessee Department of Commerce and
500 James Pkwy
Nashville TN 37243-1131

W. H. Hanson, Jr.



CERTIFIED MAIL

STATE OF TENNESSEE

COUNTY OF _____

I certify that the foregoing is a true and correct copy of the original Summons issued in this case.



Paula T. Thompson

Name and Title of Clerk

By

N. Bellett

Deputy Clerk

OFFICER'S RETURN

I certify that I have served this Summons together with the Complaint as follows:

On _____, 20____, I delivered a copy of the Summons and Complaint to the Defendant.

I failed to serve this Summons within 30 days after its issuance because:

Sheriff

By:

Deputy Sheriff

CLERK'S RETURN

I hereby acknowledge and accept service of the Summons and receipt of a copy of same, this _____ day of _____, 20__.

Defendant

Name and Title of Clerk

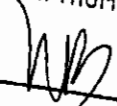
By:

Deputy Clerk



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TN 37243-1131

February 18, 2009

FILED IN OFFICE
2009 FEB 23 AM 9:13
PAULA T. THOMPSON, CLERK
BY  DC

Prudential Insurance Co. Of America
800 S. Gay Street, Ste 2021, % C T Corp.
Knoxville, TN 37929-9710
NAIC # 68241

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
7008 1830 0000 6981 7749
Cashier # 1667

Re: Michael Williamson V. Prudential Insurance Co. Of America

Docket # 09C199

To Whom It May Concern:

We are enclosing herewith a document that has been served on this department on your behalf in connection with the above-styled matter.

I hereby make oath that the attached Disability Complaint was served on me on February 13, 2009 by Michael Williamson pursuant to Tenn. Code Ann. § 56-2-504 or § 56-2-506. A copy of this document is being sent to the Circuit Court of Hamilton County, TN.

Brenda C. Meade
Designated Agent
Service of Process

Enclosures

cc: Circuit Court Clerk
Hamilton County
625 Georgia Avenue, Rm 500
Chattanooga, Tn 37402

FILED IN OFFICE

STATE OF TENNESSEE	COURT <small>(Must be completed)</small> Circuit	2009 FEB -3 PM 2:55	COUNTY <small>(Must be completed)</small> Hamilton
SUMMONS		PAULA T. THOMPSON, CLERK BY <u>WP</u> DC	file no. _____ <small>(Must be completed)</small> division _____ <small>(Large counties only)</small>
Plaintiff <small>(Name: First, Middle, Last)</small> Michael Williamson		Defendant <small>(Name: First, Middle, Last)</small> The Prudential Insurance Company of America	

TO: The Defendant Named Above

☐ [Alternative 1: residence address]☐ [Alternative 2: employer's name and address]☐ [Alternative 3: other suitable address]

certified mail by and through Commissioner
of the Tennessee Department of Commerce &
Insurance 600 James Robertson Parkway
Suite 1400 Nashville TN 37243-1121

You are hereby commanded to answer and make defense to a Complaint which has been filed in this case. Your defense to this Complaint must be filed in the office of the clerk of this court on or before 30 days after service of this Summons upon you. If you fail to do so, judgment by default will be taken against you for the relief demanded in the Complaint.

WITNESSED and issued this

20 093

day of

FebruaryPaula T. Thompson

Name and Title of Clerk

By

N. Beers

Deputy Clerk

Received this _____ day
of _____, 20____

/s/

Deputy Sheriff

STATE OF TENNESSEE
COUNTY OF _____

I certify that the foregoing is a true and correct copy of the original Summons issued in this case.



Paula T. Thompson

Name and Title of Clerk

By

N. Bennett

Deputy Clerk

OFFICER'S RETURN

I certify that I have served this Summons together with the Complaint as follows:

On _____, 20 ____, I delivered a copy of the Summons and Complaint to the Defendant.

I failed to serve this Summons within 30 days after its issuance because:

Sheriff

By:

Deputy Sheriff

CLERK'S RETURN

I hereby acknowledge and accept service of the Summons and receipt of a copy of same, this _____ day of _____, 20__.

Defendant

Name and Title of Clerk

By:

Deputy Clerk

Parkway, Suite 660, Nashville, Tennessee 37243-1121.

JURISDICTION AND VENUE

5. This is an action for damages for failure to pay benefits under an insurance policy and other related claims over which this court has jurisdiction.
6. Venue is proper in Madison County, Tennessee.

FACTS

7. At all relevant times Plaintiff was employed by Jackson Energy Authority, an entity owned and/or operated by the State of Tennessee and/or a State of Tennessee municipality commonly known as the City of Jackson as a plant maintenance technician.
8. While Plaintiff was employed by Jackson Energy Authority, said entity purchased a disability insurance Policy from Defendant Prudential.
9. Plaintiff applied for coverage, was accepted, and was thereafter covered under said Policy.
10. Plaintiff's employment at the time the Policy was issued and at the time he became disabled was a plant maintenance technician.
11. All premiums have been paid and Plaintiff has satisfied all the requirements for coverage under the above Policy, which is a contract for insurance.
12. Plaintiff, while covered under the Policy, suffered from and/or developed lumbar, arthritic, diabetic and cardiovascular impairments, on or about February 15, 2005, or thereafter, which caused then and/or subsequently, inter alia, pain, fatigue, physical restrictions and/or limitations, and problems with concentration or memory, all of which interfered with his ability to work, and ultimately caused

him to become disabled.

13. On or about February 15, 2005, Plaintiff's medical condition caused him to have a complete inability to perform the material and substantial duties of his regular occupation, as well as an inability to perform any gainful occupation for which he is reasonably fitted by education, training or experience, at which time he suffered a significant loss of earnings.
14. Since on or about February 15, 2005, Plaintiff has had a complete inability to perform the material and substantial duties of his regular occupation as well as an inability to perform any gainful occupation for which he is reasonably fitted by education, training or experience such that he has been unable to earn any income.
15. Subsequent to his disability, Plaintiff applied for benefits under the Policy by submitting an insured's statement and, thereafter, by submitting, inter alia, numerous attending physician statements and medical records pursuant to the requirements of the Policy.
16. On July 5, 2007, after paying the Plaintiff disability benefits for approximately 2 years, Defendant Prudential sent Plaintiff a letter explaining that it had denied coverage on his claim.
17. Plaintiff, thereafter and on his own, appealed the denial of his claim.
18. On November 16, 2007, Defendant Prudential sent Plaintiff a letter explaining that it had upheld its original denial of coverage on his claim.
19. Plaintiff, thereafter and on his own, again appealed the denial of his claim.
20. On March 17, 2008, Defendant Prudential sent Plaintiff a letter explaining that it had upheld its original denial of coverage on his claim.

21. While Plaintiff has received some benefits under the Policy, he has not received the full requisite of benefits due under the Policy.

COUNT ONE

TENNESSEE BREACH OF CONTRACT

Plaintiff incorporates the allegations contained in paragraphs 1 through 21 as if fully stated herein and further states that:

22. Under the laws of the State of Tennessee, Plaintiff was covered under the Policy and said Policy constitutes a contract for insurance coverage.

23. Under the laws of the State of Tennessee, Plaintiff made a valid and timely claim for benefits under terms of the Policy and Defendant has refused to pay.

24. Under the laws of the State of Tennessee, all premiums have been paid and Plaintiff has met all other conditions precedent to have a valid contract for insurance coverage and has satisfied the terms of the contract entitling him to benefits under the contract.

25. Under the laws of the State of Tennessee, Defendant has breached, and continues to breach, its contractual duties under the insurance Policy by failing and refusing to pay the full requisite of benefits owed the Plaintiff and by failing to perform its duties as set out in the contract.

26. Under the laws of the State of Tennessee, as a direct and proximate result of Defendant's breach, Plaintiff has suffered, and continues to suffer, substantial damages as previously set forth above.

COUNT TWO

VIOLATION OF THE TENNESSEE CONSUMER PROTECTION ACT

TENNESSEE CODE ANNOTATED § 47-18-101 AND § 47-18-109.

Plaintiff incorporates the allegations contained in paragraphs 1 through 26 as if fully stated herein and says further that:

27. Tennessee Code Annotated § 47-18-109 provides a private right of action to any person who suffers an ascertainable loss of money or property as a result of the use or employment by another person of an unfair or deceptive act or practice declared unlawful by the Consumer Protection Act.
28. The acts which are prohibited under the Consumer Protection Act are listed in Tennessee Code Annotated § 47-18-104. In addition to the specifically prohibited acts, Tennessee Code Annotated § 47-18-104(b)(27) is a catch-all provision prohibiting all practices which are deceptive or unfair to customers.
29. By ignoring the terms of the disability insurance contract and by giving the Plaintiff inadequate or misleading information about his claim, the Defendant has acted unfairly and deceptively.
30. As a direct and proximate result of the Defendant's conduct, Plaintiff has suffered and continues to suffer monetary loss and damages.
31. Through its handling of the Plaintiff's claim, the Defendant has willfully and knowingly violated the Tennessee Consumer Protection Act, Tennessee Code Annotated § 47-18-101 et seq., entitling Plaintiff to treble damages.

COUNT III

TENNESSEE BAD FAITH FAILURE TO PAY CLAIM

Plaintiff incorporates the allegations contained in paragraphs 1-31 as if fully stated herein and further states that:

32. At all times relevant to the matters alleged herein, Defendant was under a duty to use good faith in the handling of Plaintiff's claim.

33. Plaintiff's claim for benefits is due and payable and Plaintiff's application was filed subsequent to his disability and which constitutes a formal demand for payment, and Defendant has either failed or refused to pay further benefits.

34. Defendant impeded a legitimate and well-supported claim for benefits, which clearly shows an intent not to honor the terms of the Policy.

35. Defendant acted in bad faith in denying benefits to Plaintiff or in failing to timely make a decision on Plaintiff's claim.

36. As a direct and proximate result of Defendant's actions in handling this claim, Plaintiff has suffered, and continues to suffer, monetary loss and damages, including the need to hire an attorney to enforce the terms of a contract for insurance.

37. Because Defendant did not act in good faith in denying Plaintiff's claim for benefits, Defendant is liable under Tennessee Code Annotated § 56-7-105(a) for additional damages in an amount up to 25% of liability.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff requests that this Court grant him the following relief in this case:

That the Court enter judgment in favor of Plaintiff and against Defendant and that the Court order Defendant to perform its obligations under the contract for insurance and to pay past due benefits to Plaintiff in an amount equal to the contractual amount of benefits to which he is entitled.

That the Court order Defendant to pay Plaintiff prejudgment interest in all benefits that have accrued prior to the date of judgment;

That the Court order Defendant to pay Plaintiff prejudgment interest on all benefits that have accrued prior to the date of judgment;

That the Court order Defendant to continue paying benefits to Plaintiff until such time as he no longer qualifies for continuation of benefits.

That the Court order Defendant to pay treble damages pursuant to Tennessee Consumer Protection Act, Tennessee Code Annotated § 47-18-101 et seq.;

That the Court order Defendant to pay an additional 25% of the contractual liability for bad faith handling of the claim, pursuant to Tennessee Code Annotated § 56-7-105(a);

That the Court order Defendants to pay Plaintiff's attorneys' fees and costs under applicable law, and,

That Plaintiff recover any and all other relief to which he may be entitled. Plaintiff further demands a jury to hear his case.

Dated this 3rd day of February, 2009.

Respectfully submitted,

ERIC BUCHANAN & ASSOCIATES, PLLC
ATTORNEYS FOR PLAINTIFF

BY: 

Eric L. Buchanan (#018568)

R. Scott Wilson (#019661)

D. Seth Holliday (#023136)

414 McCallie Avenue

Chattanooga, Tennessee 37402

(423) 634-2506

(423) 634-2505 (fax)

IN THE CIRCUIT COURT OF MADISON COUNTY, TENNESSEE OFFICE
AT JACKSON

2009 FEB -3 PM 2:54

PAULA T. THOMPSON, CLERK

MICHAEL WILLIAMSON,

Plaintiff,

v.

THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA,

Defendant.

JURY DEMAND

NO.:

BY WP DC

090109

COST BOND

I hereby acknowledge and bind myself for the prosecution of this action and payment of all non-discretionary costs in this Court, which may at any time be adjudged against the plaintiff in the event the plaintiff shall not pay them.

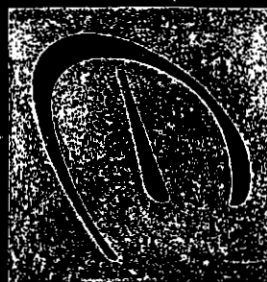
Witness my hand this 3rd day of February, 2009.

D. Seth Holliday

Surety:

Eric Buchanan & Associates, PLLC
414 McCallie Avenue
Chattanooga, TN 37402
(423) 634-2506

JACKSON ENERGY AUTHORITY



EMPLOYEE HANDBOOK

Effective Date: August 1, 2005



Jackson Energy Authority

Dear Employee,

I am very pleased to provide you with a copy of this revised handbook. While it is impossible to include everything an employee needs to know in a written document, this Handbook provides a summary of JEA policies and procedures, as well as, other important information pertinent to the company. Please read the Handbook very carefully and contact Human Resources, if you have questions.

JEA has experienced significant growth in recent years and is one of few utilities to provide the range of services including electric, gas, water, wastewater, and telecommunications. While this growth has presented some challenges, employees have continued to provide quality services with a high level of customer satisfaction.

We are very proud of JEA's strong public image in the community and reputation for excellent customer service. It is through the efforts of our many outstanding employees that we have attained this tradition of excellence in the workplace.

We value and appreciate your service to JEA.

John W. Williams
President and Chief Executive Officer

HUMAN RESOURCES
404-733-1



Jackson Energy Authority

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August 01, 2005

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- Provide excellent Customer Service
- Maintain Outstanding Employees
- Optimize Work Processes
- Never Compromise Safety
- Maintain Competitive Rate
- Support Community Initiatives
- Support Environmental Initiatives



Jackson Energy Authority

Introduction

"Our mission is to provide safe, reliable and cost effective utility service to our community. Satisfaction with the delivery of our service is essential to fulfilling our commitment to each customer. We recognize our responsibility to maintain the public trust, preserve our environment and enhance the quality of life in our community."

The above mission statement is Jackson Energy Authority's cornerstone of operation, and all employees are asked to embrace this mission in their day-to-day work. The company realizes the value of its employees in relation to its mission and seeks to create an atmosphere within the Company that allows all employees to feel a genuine sense of accomplishment. It is through the contributions of our employees, that JEA continues to achieve a high level of customer satisfaction and a very positive public image.

August 01, 2005

This employee handbook provides employees with important information about Jackson Energy Authority. The handbook includes human resource related policies, working conditions, employee benefits, and general guidelines for operation. Many of your responsibilities as an employee are outlined within the book. Employees are asked to read and comply with all provisions of this handbook as well as any subsequent changes to the handbook adopted by the Company. JEA reserves the right to change, suspend, interpret or cancel any provision included in this handbook at any time.

This handbook supersedes all previous handbooks issued by JEA.

At-will Employment

Employees of Jackson Energy Authority are "at-will" employees. This means that employees are free to resign from employment at any time, for any reason; and JEA may terminate any employee, with or without cause, with or without notice, at any time. Nothing in this handbook is intended to be considered, or interpreted to be, a contract of employment or an offer of employment pursuant to contract. Furthermore, JEA policies and procedures that are not included within this handbook shall not be considered or interpreted as a contract of employment.



Jackson Energy Authority

Employment Information and Procedures

Equal Employment Opportunity

JEA does not discriminate in employment or advancement opportunities against any person because of age, race, color, religion, creed, sex, national origin or disability. All employment decisions, promotions, demotions, layoffs and terminations, compensation and training are made without regard to age, race, color, religion, creed, sex, national origin or disability.

Reasonable accommodations will be provided to qualified applicants or employees with a disability, unless to do so would impose undue hardship on JEA. A disability is defined as a physical or mental impairment that substantially limits one or more of the individual's major life activities. A disability also includes having a record of such impairment, or being regarded as having such impairment. To be considered for reasonable accommodation, the disabled individual must be qualified to perform the essential functions of the position, with or without a reasonable accommodation.

Employees with questions or concerns about workplace discrimination should contact their supervisor or Human Resources.

Conflict of Interest

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflict of interest. An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result

August 01, 2005

in a personal gain for that employee or for a relative of the employee as a result of a JEA business transaction. Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which JEA does business, but also when an employee or relative receives a kickback, bribe, substantial gift, or special consideration as a result of any business transaction involving JEA.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if an employee has any influence on transactions involving purchases, contracts, or leases, it is imperative the employee disclose to an officer of JEA, as soon as possible, the existence of any actual or potential conflict of interest so safeguards can be established to protect all parties.

The purpose of this policy is to provide general direction to employees on acceptable standards of operation in handling business at JEA. To obtain specific information on conflict of interest issues, contact your group vice president or General Counsel.

Employee Confidentiality

Many JEA employees have access to privileged or confidential information. Employees must use information that is available to them only as necessary to fulfill the requirements of their job or as directed by their supervisor or an officer of the company. Unauthorized use or release of privileged or confidential information must be immediately reported to the employee's supervisor. Failure to comply with these expectations may result in disciplinary action.



Jackson Energy Authority

Employment Process

Job Postings: Open positions will generally be posted on designated bulletin boards located at each building for three (3) working days. The notice of the position will include a job description. Qualified employees must contact Human Resources to apply for the position and sign an application confirmation form.

Job Announcements: In addition to job postings, job vacancies may be placed on JEA's website and advertised in the newspaper, and professional publications as needed to ensure an adequate pool of qualified candidates.

Application: All candidates for employment must complete and sign an employment application. Any misrepresentation, falsifications, or material omissions on the application may result in exclusion of the individual from further consideration of employment or, if the person has been hired, termination from employment.

Selection: The person considered best suited for the position based upon the job requirements shall be selected for employment. The committee will consider interpersonal skills, education, training, related work experience and other abilities as specified in the job description in the evaluation of applicants. All decisions shall be made without regard to race, color, religion, creed, sex, national origin or disability. (See Equal Employment Opportunity) When an internal and external applicant is equally qualified for a position, preference will be given to the internal applicant.

August 01, 2005

References: It is our policy to check references on all internal and external final candidates for employment. Every effort will be made to obtain prior work history information.

Tests/Screens: All final candidates for employment will be required to submit to a criminal background review and a motor vehicle records report (MVR). All offers are contingent upon passing a drug test. Current JEA employees will not be required to submit to another criminal background check or MVR when seeking another job within the company.

However, under certain circumstances, it will be necessary for an existing employee to be drug tested prior to going into another position. (see JEA Anti-drug Misuse Policy).

Physical Examination: After an offer has been made and before an employee begins work, a medical examination will be required for some positions to determine the current medical condition of the employee and whether the employee is capable of performing the required duties of a position. The offer of employment will be contingent upon the individual being medically capable of performing required duties. A listing of those positions that require a medical examination may be obtained in Human Resources.

Information on an employee's medical condition and history will be maintained on separate forms and in separate files. This information will be kept confidential, except that appropriate officers, managers and supervisors may receive information about necessary work restrictions and accommodations.



Jackson Energy Authority

Any supervisor or other employee determined to have committed a discriminatory act will be subject to disciplinary action, up to and including termination of employment.

Hiring of Relatives

The employment of relatives within the same work area may cause conflicts and problems that adversely impact employee morale. To avoid potential conflict situations and the perception of favoritism, the following policies have been established:

A. An immediate relative of current JEA employees may not be hired in a position where he/she will supervise or report to a relative. Furthermore, a JEA employee may not be transferred to a position where he/she will supervise or be supervised by a relative. If the relative relationship is not determined until after employment, the situation will be reviewed for potential conflicts and appropriate adjustments made to prevent one employee from supervising another.

B. Members of your immediate family may not be employed or assigned within the same work group.

For the purpose of the aforementioned policies, an immediate relative is defined as spouse, children (in-law, step), parents (in-law, step), sister (in-law, step), brother (in-law, step) aunt, uncle, niece, nephew, and first cousins.

August 01, 2005

Immigration Reform and Control Act Compliance

In compliance with the Immigration Reform and Control Act of 1986, each new employee is required to complete the Employment Eligibility Verification Form I-9 and present documentation of identity and employment eligibility. Former employees who are rehired must also complete the I-9 Form and the verification process, if they have not done so at JEA within the past three years, or if their eligibility status has changed.

Disability Accommodation

In compliance with the Americans with Disabilities Act of 1990 (ADA), JEA provides reasonable accommodations to qualified applicants and employees with a disability that substantially limits one or more major activities of daily living. A disability may also include having a record of such impairment, or being regarded as having such impairment.

All employment decisions are based upon the applicant's skills, knowledge and abilities, without regard to disability. Qualified individuals with disabilities are entitled to equal pay, job assignment, job classification, training and advancement opportunities, as well as the same benefits as those employees without a disability. To be considered for reasonable accommodations, the disabled individual must be qualified to perform the essential functions of the position, with or without a reasonable accommodation.

Employment Classifications

Employees may be hired to work in one of the following employment classifications:



Jackson Energy Authority

Full-time employee: An employee scheduled to work a minimum of forty (40) hours a week on a continuous basis.

Part-time employee: An employee scheduled to work up to 60 hours a pay period and 1560 hours a calendar year. JEA retired part-time employees may only work up to 1040 hours in a calendar year.

Temporary employee: An employee scheduled to work a specified number of hours for a limited duration. Temporary employees include seasonal workers, co-op students, employees hired for a particular project and other employees that are hired for a limited period to meet a short-term need. The duration of employment and number of hours to be worked must be specified on the Job Requisition Form. The period of employment shall generally not exceed twelve (12) months.

Part-time and temporary employees are not eligible for employee benefits except for those required by law.

Introductory Period

There is a six (6) month introductory period for all new and rehired employees. All employees, regardless of classification or duration of employment, are required to meet and maintain

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JEA standards for job performance and conduct. The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the position meets their expectations. A written evaluation shall be performed on all new employees after three (3) months of employment and again near the completion of their introductory period, if needed. Either the employee or JEA may end the employment relationship at will at any time during or after the introductory period, with or without cause or advance notice. Completion of the introductory period does not guarantee employment for any specific period of time.

The introductory period may automatically be extended due to significant absences from work or if JEA determines that the 180-day introductory period is not sufficient time to thoroughly evaluate the employee's performance.

Performance Assessment

Supervisors and employees are encouraged to discuss job performance periodically throughout the year. At least one written performance assessment is conducted each year for supervisors and employees to discuss job tasks, goals and objectives, recognize strengths and accomplishments, and identify any weaknesses in performance. Generally, employee performance assessments are conducted annually, prior to the end of the fiscal year. Additionally, employees that earn a salary of less than 80% of the maximum salary range for their position will be re-evaluated after six months from the beginning of the fiscal year and may qualify for an additional merit pay adjustment at that time.



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Employee salary adjustments are primarily based upon performance assessments ratings. Salary adjustments may also be made based upon the result of market studies and/or job re-evaluations.

Employment Status - Fair Labor Standards Act (FLSA)

Employees are designated as **exempt** or **non-exempt** upon employment at JEA. The type of work performed, the education required to perform the job, and the level of independence the employee has in performing the work determines the employee classification. The President/CEO of the company or his designated appointing authority may change the status of an employee at any time. Those employees classified as non-exempt are covered by FLSA minimum wage and overtime pay provisions. Employees in this category are paid at a rate of one-and-one half times their regular rate of pay for each hour worked in excess of 40 hours in a workweek.

Employee Compensation

Standard work day – Eight (8) hours

Standard workweek – 40 hours beginning at 12:01 a.m. on Sunday and ending the following Saturday at midnight.

Schedule – Daily and weekly work schedules may be changed from time to time as needed.

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Payday – Employees have the option to be paid bi-weekly or semi-monthly. Employees that elect bi-weekly are paid every other week. Each paycheck includes earnings for work performed for the two weeks preceding a week from the payday. Semi-monthly paychecks are distributed on the 15th and the last day of the month. Bi-weekly paychecks are distributed on Friday of the pay week.

In the event a regularly scheduled payday does not fall on a workday such as in the case of a holiday, employees will receive pay on the last day of work before the regularly scheduled payday. If an employee is on vacation on a regularly scheduled payday, the paycheck will be distributed to the employee upon return to work unless electronically deposited on the payday. Paychecks may be directly deposited upon written authorization of the employee. An itemized statement of wages and deductions is provided to employees that elect direct deposit.

Overtime Pay – Overtime is paid to all full-time and temporary non-exempt employees at one-and-one half times their regular time rate for all hours worked in excess of the standard work week and for any hours worked in excess of their regular work day.

Call-in Allowance – Non-exempt employees called back to work after the completion of the standard work day or regular shift will be paid a minimum of two hours at one-and-one half times their regular time rate of pay. A maximum of one-hour travel time roundtrip is allowed.



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Stand-by Allowance – Employees on stand-by duty will be compensated for 2 hours at one-and-one half times their regular time rate of pay for each twelve-hour shift. Stand-by employees called to work are guaranteed a minimum of one hour of pay at one-and-one half times their regular time pay. JEA reserves the right to provide a monthly stand-by allowance for those employees that are on stand-by on a continuing basis.

Overtime Meal Allowance – JEA will pay for meals when employees are required to work at least two hours past the completion of their standard workday and the work assigned cannot be interrupted to obtain a meal. Employees required to work for prolonged periods during an emergency situation will be provided a meal every six hours at JEA's expense.

Payroll Administration

Timesheets: Federal and state laws requires JEA to keep an accurate record of time worked in order to calculate employee pay and benefits. It is the responsibility of each employee to maintain a record of time worked and submit the time record to their supervisor at scheduled times. JEA provides a standard form for recording time worked as well as holidays and leave time used by the employee. The altering, falsifying, tampering of records or the entering of time on another employee's record is not allowed and may result in disciplinary action up to and including termination from employment.

The employee's supervisor must pre-approve all overtime work to be performed. Overtime hours must also be recorded on JEA designated forms and submitted for processing at the scheduled times.

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Pay Corrections: JEA takes reasonable measures to provide employees with the correct amount of pay in each paycheck. In the event there is an error in the amount of pay provided to an employee or payroll deductions, the employee should immediately notify the appropriate accounting staff member.

Pay Deductions: The itemized portion of your paycheck shows two types of deductions from your gross earnings:

- Deductions you authorize; and
- Statutory deductions from federal income tax withholdings, court orders, Social Security and Medicare tax.

Employees should contact their supervisor with payroll inquiries. Questions regarding standard or personal deductions should be submitted to Accounting. Contact Human Resources with inquiries pertaining to benefit deductions.

Work Schedules

Work schedules for employees may vary throughout the Authority. Supervisors will advise employees of their standard workdays and hours. Operational demands may necessitate variations in total hours worked and in starting and ending times.

Attendance

It is important that employees be in attendance and punctual at work. If you are unable to report to work or report to work on time, you must notify your supervisor. Employees are



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expected to notify their supervisor in advance to schedule leave time away from work. However, in the event of an emergency or an unexpected need to be away from work, employees should notify their supervisor prior to their scheduled work time.

Excessive absences and/or tardiness are disruptive to operations and will lead to disciplinary action up to and including termination of employment.

Meal and Rest Periods

Employees will be provided with one meal period for a standard workday. An additional meal period may be provided on an as needed basis when overtime work is involved. Supervisors will schedule meal periods to accommodate operating requirements. Employees are off-duty during all meal periods and are not compensated for that time.

JEA provides two paid rest periods of 15 minutes in length to employees. The rest periods are inclusive of travel time and should be taken at the nearest and most suitable location. One rest period should be taken in the morning and the other in the afternoon. To the extent possible, rest periods should be taken in mid-morning and mid afternoon.

Travel Expenses

JEA reimburses employees for work related travel. Employee travel must be approved by an Officer of JEA, prior to the travel event. To obtain reimbursement, employees must submit an expense report for all eligible expenses incurred to Accounting. Your supervisor, or another designated supervisor,

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must sign the expense report. All cash expenses exceeding \$10 must be supported with a receipt. See JEA Travel Expense Policy.

Use of Equipment

Employees may be assigned vehicles and other equipment essential in accomplishing job duties. In the use of JEA property, employees are expected to exercise care, perform required maintenance, and follow all operating and safety instructions. Company vehicles including equipment may be used only as authorized by the Authority. Unauthorized use of vehicles will result in appropriate disciplinary action against the employee.

Employees must notify their supervisor in the event that any equipment, machines, tools or vehicles appear to be lost, damaged, defective, or in need of repair. Prompt reporting of flaws or other usage problems could prevent deterioration of equipment and possible injury to employees and others.

Contact your supervisor if you have questions regarding your responsibility for equipment maintenance on the job. The

proper, careless, destructive or unsafe operation of equipment and vehicles including excessive or avoidable traffic and parking violations may result in disciplinary action, up to and including termination of employment.

Employees are personally responsible for payment of all traffic citations received while at work.



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Telephone, E-mail Usage and the Internet

All telephone lines, facsimile lines, Internet access lines, electronic mail addresses, on-line services, computer terminals and software, radio frequencies, cellular telephones, pagers and other electronic devices used for communication are the property of JEA, and no employee shall have rights or interest to said property other than as designated by JEA. No employee or agent is permitted to use any such property, except as authorized or instructed by the Authority. Any improper use of the Internet or e-mail is prohibited. Examples of inappropriate uses: used for transmitting, retrieving, or storage of any communications of a discriminatory nature or materials that are obscene; messages with derogatory remarks about an individual's race, sex, age, disability, religion or national origin, abusive or sexual language; or purpose that is illegal or against JEA's policy or contrary to JEA's best interest. See Policies & Procedures Manual for Electronic Communication Policies.

Overview of Employee Benefits

Jackson Energy Authority provides a wide range of benefits to its full-time employees. A summary of available benefits and eligibility information is described below. The benefits are intended to promote and maintain good health, provide for retirement, help meet the cost of illness and accident, and help provide financial security for employees and beneficiaries. Employees should refer to official plan documents for more

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detailed information about specific benefits or contact Human Resources.

The Authority may at any time, amend, modify, suspend or terminate any benefit. The establishment of a benefit does not impose upon the company any contractual obligation to continue the benefit in the future.

Vacation/Annual Leave

JEA provides time off with pay to eligible employees for rest and relaxation. The amount of paid vacation is based on the years of service to JEA as follows:

<i>Eligible Service</i>	<i>Bi-weekly</i>	<i>Semi-monthly</i>	<i>Annually</i>
<i>Initial Eligibility - 5 yrs.</i>	3.69 hrs.	4.00 hrs.	96 hrs.
<i>After 5 yrs.</i>	4.00 hrs.	4.33 hrs.	104 hrs.
<i>After 10 yrs.</i>	4.62 hrs.	5.0 hrs.	120 hrs.
<i>After 15 yrs.</i>	5.54 hrs.	6.0 hrs.	144 hrs.
<i>After 20 yrs.</i>	6.15 hrs.	6.67 hrs.	160 hrs.
<i>After 25 yrs.</i>	6.77 hrs.	7.33 hrs.	176 hrs.
<i>After 30 yrs.</i>	7.69 hrs.	8.33 hrs.	200 hrs.

Employees receive the above listed hours of annual leave for each payroll period worked based upon the number of years of



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service with the company. Employees may request leave time after it has been earned and take it in increments of one-half hour. Vacation should be scheduled in advance in consideration of operational requirements of the work group and must be approved by your supervisor or a designated supervisor in the absence of your supervisor.

Employees are encouraged to use vacation time. However, in the event that available annual leave is not used, leave time may be carried from year to year and accumulated up to 320 hours. It is the responsibility of employees to monitor accrued annual leave to ensure their balance does not exceed the maximum accumulation.

Employees continue to accrue annual leave while they are on sick or annual leave, FMLA, workers compensation, and any other paid leave. Upon termination of employment, employees will be paid for unused vacation time through the last day of work.

Sale of Annual Leave

Employees with an annual leave balance of 240 hours or greater may sell a minimum of 40 annual leave hours to JEA at any time during the year. The balance after the sale must be a minimum of 160 hours. There is no limit on the number of times an employee may sell annual leave during the year; however, to encourage employees to take vacation time for rest and relaxation, an employee must use at least forty (40) hours of annual leave to be eligible to sell annual leave prior to each subsequent sale during the calendar year.

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Sick Leave

The Authority provides time off with pay to eligible full-time employees for absences due to illness or injury. The amount of sick leave earned is based on years of service with the company as follows:

<i>Eligible Service</i>	<i>Bi-weekly</i>	<i>Semi-monthly</i>	<i>Annually</i>
<i>Initial Eligibility -5 yrs.</i>	3.69 hrs.	4.00 hrs.	96 hrs.
<i>After 5 yrs.</i>	4.00 hrs.	4.33 hrs.	104 hrs.
<i>After 10 yrs.</i>	4.31 hrs.	4.67 hrs.	112 hrs.
<i>After 15 yrs.</i>	4.62 hrs.	5.00 hrs.	120 hrs.
<i>After 20 yrs.</i>	4.92 hrs.	5.33 hrs.	128 hrs.
<i>After 25 yrs.</i>	5.23 hrs.	5.67 hrs.	136 hrs.

Employees receive the above listed hours of sick leave for each payroll period worked based upon the number of years of service with the company. Unused sick leave hours shall accumulate as long as the employee works with JEA.

Employees may request leave time after it has been earned and use it in increments of one-half hour. Eligible employees may use sick leave for the events described below.

- Absence due to their illness
- Absence for up to 80 hours in a calendar year due to the illness or injury of a child age 18 years or younger residing in the employee's household



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- Absence for up to three (3) days due to a serious illness requiring hospitalization of the employee's spouse, children, parents or spouse's parents
- Absence for one day due to outpatient surgery of an eligible dependent

If you are unable to report to work due to illness or injury, you must notify your supervisor prior to the start of the workday, if possible. You must also contact your supervisor on each subsequent workday that you are absent. A statement from your physician or other medical provider may be required for absences that exceed three (3) days.

Sick leave benefits are calculated based upon the employee's current regular pay rate. Upon retirement, employees will be paid for 30% of unused sick leave based upon the employee's current pay rate plus the average of any sales commissions over the last 12 months of employment.

Employees will not be paid for unused sick leave while employed or upon termination of employment, except at retirement. Upon retirement from JEA, employees will be paid for 30% of their sick leave balance at their regular rate of pay. The balance of a retiree's unused sick leave balance, up to a maximum of one year, will be added to the employee's years of credited service for determination of their retirement monthly benefit. If an eligible employee dies prior to retirement, JEA will pay the designated beneficiary (spouse) 30% of the employee's sick leave balance and will add the balance of a retiree's unused sick leave balance, up to a maximum of one

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year, to the deceased employee's years of credited service for determination of their retirement monthly benefit.

Sick Leave Incentive

Employees who have not used sick leave in twelve rolling months will receive one hour of annual leave for each 100 hours of accumulated sick leave. Eligible employees with 800 or fewer hours of sick leave will receive a minimum of eight (8) hours of annual leave regardless of their sick leave balance.

Bereavement Leave

JEA provides paid leave to employees needing to be away from work due to the death of an "immediate family member". Full-time employees may take up to three days of leave for bereavement. Bereavement leave will be limited to the day immediately before the funeral, the day of the funeral, and the day after the funeral. No leave will be provided for any day that falls on the weekend or a holiday. To obtain leave, employees must contact their supervisor immediately.

JEA defines immediate family member as follows:

- Employee's spouse, child/step-child/foster child, parent/step-parent/guardian, sibling, grandparent, and grandchild;
- Spouse's parent/step-parent/guardian, sibling, grandparent and grandchild;
- Child's spouse
- Any blood relative living with the employee.



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Bereavement leave shall be paid at the employee's regular salary at the time of leave.

Holidays

JEA provides the following holidays to all full-time employees:

<i>New Years Day</i>	<i>January 1</i>
<i>Martin Luther King Birthday</i>	<i>First Monday following birthday</i>
<i>Good Friday</i>	<i>Friday prior to Easter</i>
<i>Memorial Day</i>	<i>Last Monday in May</i>
<i>Independence Day</i>	<i>July 4</i>
<i>Labor Day</i>	<i>First Monday in September</i>
<i>Thanksgiving</i>	<i>Fourth Thursday in November</i>
<i>Christmas</i>	<i>Day after Thanksgiving</i>
<i>Employment Anniversary</i>	<i>December 25</i>
	<i>January (8 hrs. annual leave balance)</i>

A holiday that falls on a Saturday will be observed on the previous Friday; except as noted above. If a holiday falls on a Sunday, it will be observed on the following Monday; except as noted above. Employees will be paid for holidays occurring while they are on paid leave. Holiday pay is calculated based upon the employee's regular rate of pay at the date of the holiday. Eligible non-exempt employees that work on a recognized holiday will be paid for the holiday and wages at one and one-half times their regular rate of pay for the hours worked on the holiday.

Hours off work for holidays are counted as hours worked in determination of eligibility for overtime pay. For example, an employee off work for a holiday on Monday and works over 32

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hours during the balance of the week is eligible for overtime pay.

Retirement (Pension) Plan

JEA provides a defined benefit retirement plan for its eligible employees at no cost to the employee. Each year the Authority contributes the amount determined actuarially needed to

maintain the plan on a sound financial basis. A portion of the contribution made by the Authority is a non-forfeitable contribution for participating employees. Employees leaving the company prior to retirement have an option to withdraw this amount and any accrued interest earned. For participation in the retirement plan, employees must be 21 years of age and have one year of service with the Authority.

While one year of service is required for contributions into the Plan, employee service credit begins with the date of full-time employment with JEA. Employees become vested after five (5) years of service. Vested employees have the option upon termination to receive a lump sum distribution of contributions and interest or to receive a monthly annuity beginning at retirement age.

Employees are eligible to receive service credit for any period they work at least forty (40) hours a week prior to becoming a full-time employee. The employment date for eligible employees shall be adjusted to include the prior service.

The retirement benefit is computed as follows: The average of the highest three consecutive calendar years earnings times 2.0% times the number of years of service. Employee



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earnings shall consist of regular salary, sales commissions and regular bonuses. In the event an employee is on workers compensation during the year of retirement from JEA, the earnings for the year shall include an amount equal to the regular salary the employee would have received without the workers compensation benefit, up to a maximum of 30 days.

Optional retirement benefits are 1) employee life annuity, 2) joint and survivor annuity, and 3) life income guaranteed for 120 months. Normal retirement age is 65; however, employees may retire with no penalty at age 55. Active employees working past age 65 continue to earn service credit. Contact Human Resources to obtain more detailed information regarding the JEA Retirement Plan.

Medical & Dental Insurance

Full-time employees are eligible for medical and dental insurance coverage on the first of the month following 30 days from the date of employment. JEA pays 100% of the cost for employee coverage and approximately 70% of the cost for dependent coverage. In the event of the death of an active Plan participant, the surviving spouse may maintain coverage for two months at the premium rate that would have been paid by the employee for dependent coverage. Contact Human Resources to obtain a complete health plan booklet, if one has not been provided to you.

JEA provides medical and dental coverage for retirees and eligible dependents covered under the plan prior to retirement. The Authority pays 100% of the cost for retiree coverage and approximately 70% of the cost for their dependent coverage.

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Once a Plan participant reaches age 65, JEA's insurance coverage becomes secondary to Medicare.

In the event of the death of a retiree, JEA will provide the surviving spouse an option to continue participation in its medical and dental plan. The surviving spouse may maintain coverage for two months at the premium rate that would have been paid by the retiree for dependent coverage. Thereafter, the spouse may continue coverage under the Plan by paying the total health care premium. Coverage under the Plan will terminate on the date the surviving spouse remarries or is no longer eligible under the plan. Spouses that elect not to continue coverage under this provision will have the option for COBRA coverage as stipulated in the Medical and Dental Benefit Plan.

Life Insurance

Life insurance coverage is available to full-time employees upon completion of 90 days of service. The amount of coverage is two (2) times the employee's annual salary with an accidental death and dismemberment benefit of up to two (2) times the life insurance benefit. For employees that earn regular sales commissions, the monthly average of commissioned sales annualized is added to the employee's base salary to determine the total annual salary. Upon retirement or upon reaching age 70, if an active employee, the amount of coverage is reduced to one times the employee's annual salary, with an accidental death and dismemberment benefit of up to two (2) times the life insurance benefit. JEA pays the full cost for this basic coverage. A dependent rider is available for employees to obtain voluntary dependent coverage up to



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\$5,000 for spouse and \$1,000 for each child. In addition, eligible employees may elect to add voluntary employee and dependent life insurance coverage with the premium being payroll deducted.

Long-term Disability

JEA provides full-time employees long-term disability insurance coverage after 90 days of service. The coverage provides financial protection to employees unable to work as a result of an illness or accident. The disability benefit is 60% of employee regular earnings. The benefit percentage is increased to 70% with a Social Security disability benefit.

Long-term disability is defined as follows:

Own Occupation - 2 Years

Employee is unable to perform the material and substantial duties of his regular occupation due to sickness or injury; and have a 20% or more loss in indexed monthly earnings due to same sickness or injury.

Any Occupation - After 2 Years

Employee is unable to perform any gainful occupation for which the employee is reasonably fitted by education, training or experience.

Please refer to Long-term disability Plan for coverage provisions.

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Workers Compensation

JEA is committed to protecting the safety and financial security of its employees. Employees must report all work related injuries to their supervisor immediately. Supervisors must submit the Supervisor's First Report of Injury to the Safety Coordinator within 48 hours from the time injury occurred. Employees sustaining work related injuries are eligible for workers compensation benefits including the payment of medical expenses and in some instances, a weekly benefit check. The benefit payment shall equal 66% of the employee's average weekly earnings for the period of time the employee is away from work. In addition, JEA will pay the difference in the workers compensation benefit amount and the employee's regular salary for a period of up to 30 workdays. Thereafter, the injured employee may elect to use sick or annual leave to maintain 100% of their pre-injury salary.

The JEA Workers Compensation Program will not be responsible for employee injuries incurred from voluntary participation in off-duty recreational, social, or athletic activities sponsored or arranged by JEA.

Failure to immediately report an accident may cause unnecessary delays in treatment and payment of claims, as well as, jeopardize your eligibility for benefits under workers compensation laws. Contact the Safety Coordinator to obtain information regarding the statutory limitations for workers compensation claims.



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Education Reimbursement

JEA encourages employee development and offers financial assistance to employees taking college, vocational and other courses. Employees with one year of full-time service with JEA are eligible to receive reimbursement for 75% of tuition fees and related costs incurred for educational courses, contingent upon obtaining a grade of "C" or above. All courses must be related to the employee's current job or a potential job at JEA, and must be approved by the Education Committee or Human Resources prior to enrollment. Courses will be approved based on availability of funds and the relationship of course to current and future JEA jobs. Employees may be reimbursed for individual courses or for courses taken to obtain a degree or certification. Education assistance is limited to the availability of funds.

An employee participating in an accelerated degree program must enter an agreement to repay JEA for educational reimbursements should the employee fail to complete the program or terminate employment with JEA prior to two years from the date of completion of the accelerated program. The amount of repayment is prorated based upon the length of time the employee works following completion of the accelerated program prior to termination. Employees should contact Human Resources for more specific information regarding education assistance.

Jury & Court Witness Duty

JEA provides paid leave for employees serving on jury duty. Employees receive the difference between their regular rate of pay and the amount received for jury duty from the court. It is

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the employee's responsibility to advise Accounting of the amount of payment received from court and to work out payment arrangements. Prior to jury leave, a copy of the court summons must be submitted to the employee's supervisor and Human Resources. The employee is expected to return to work when jury service is not required.

Employees subpoenaed as a witness or otherwise requested to testify by JEA, will receive pay for time expended in witness duty. When appearing in court for reasons not related to JEA business, annual leave should be used for any time off work.

Employees should notify their supervisor as soon as possible to request leave for jury or witness duty so that appropriate arrangements may be made for their absence away from work.

Employee Voting

JEA encourages employees to exercise their civic responsibility to vote in elections. If for some reason employees are unable to vote during non-working hours, JEA will provide up to 2 hours of paid time off to vote. Time off to vote should be requested in advance and scheduled to prevent a least amount of disruption to normal work operations.

Employee Assistance Program (EAP)

All employees and dependents may access the EAP to obtain confidential assessment, referral and counseling services for personal or job related problems. Examples of problems include health concerns, financial difficulties, legal issues, adapting to a divorce, work stresses, etc. There is no cost to the



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employee for the first three visits; thereafter, health counseling sessions and treatment may be charged to medical insurance. The employee is responsible for any costs not covered by medical insurance.

Voluntary Employee Benefits

Deferred Compensation - 457 Plan

In addition to the JEA Retirement Plan, full-time employees also have an opportunity to save for retirement through participation in the company's Deferred Compensation Plan. Employees may contribute a portion of their salary, up to the current IRS annual limits, into a 457 account. A representative of the administrative entities that service JEA are available to enroll participants periodically throughout the year. In addition, employees may enroll and make changes on-line. Contact Human Resources to obtain information on administrative entities and participation options.

Flexible Spending - 125 Plan

Employees may elect to exchange a portion of their salary for non-taxable health care and child care benefits. In November or December each year, employees are given an opportunity to enroll in the following Flexible Spending Plan options:

1. Health Plan/Cancer Premium - employees may elect to pay for their health and/or cancer premium with pre-tax dollars.

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2. Medical Reimbursement - employees may elect to deduct a portion of their salary to pay for health expenses not covered under JEA's Health Benefit Plan with pre-tax dollars.
3. Dependent Child Care - A designated amount of childcare expenses may be paid with pre-tax dollars.

Contact Human Resources to obtain more detailed information on JEA's Flexible Spending Plan.

Bachelors Education Systems Trust (BEST) Program

JEA employees may save for college expenses through participation into the State of Tennessee BEST Program. Employees may enroll in either the Pre-paid Tuition Program or the Tennessee Savings Plan. Earnings from contributions are tax deferred and eligible withdrawals from both programs are exempt from federal income taxes. For additional information, contact Human Resources.

Credit Union

Employees are eligible to join Resource Federal Credit Union or Jackson City and County Employees Credit Union. Account contributions may be payroll deducted.

Other Insurance Options

JEA provides other insurance coverage for employees to purchase through payroll deduction such as supplemental life insurance, cancer insurance, and critical care insurance. The availability of these insurance products is contingent upon employee participation and may be discontinued at any time.



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Provider and coverage information may be obtained from Human Resources.

Employee Leave

Family and Medical Leave (FMLA)

Family and medical leave is available to employees with at least 12 months service and have worked at least 1,250 hours during the 12-month period prior to the leave. Eligible employees may take up to 12 weeks of family and medical leave (16 weeks for birth of child) for the following reasons:

A. Birth of a child, adoption or foster care of child

B. Serious health condition of employee

A serious health condition is a condition that makes the employee unable to perform the functions of current position. A serious condition may be an illness, injury, impairment, or physical or mental condition resulting in inpatient care, the absence of more than three consecutive days in which the employee is either treated by a health care provider at least two times, or treated by a provider one time while under continuing treatment, or permanent long-term conditions requiring supervision.

C. Serious health condition of spouse, child or parent of employee

Employees may be away from work to provide care for a serious health condition of spouse, child or parent of

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employee. A serious condition may be an illness, injury, impairment, or physical or mental condition resulting in inpatient care, the absence of more than three consecutive days in which the individual is either treated by a health care provider at least two times, or treated by a provider one time while under continuing treatment, or permanent long-term conditions requiring supervision. The child must be under 18 years of age, except when the child is incapable of self-care due to mental or physical disability.

In situations where an employee is married to another employee, the length of leave may be restricted to a combined total of 12 weeks for a serious health condition and 16 weeks for the birth of a child or the adoption/foster care of child.

Employees should request FMLA through their supervisor and Human Resources at least 30 days in advance for expected events such as a birth, adoption or planned surgery, and immediately upon notice for all other FMLA eligible absences. Employees requesting FMLA for serious health conditions or to care for a family member with a serious health condition, will be required to submit a health care provider statement to verify the need for the leave and the expected duration of the leave. FMLA may be taken at once or can be intermittent for employees with a serious health condition. Intermittent leave to care for a family member with a serious health condition may be taken for a limited period of time, not to exceed six cumulative weeks.

Employees must take accrued leave concurrent with FMLA in accordance with JEA FMLA policy. All eligible accrued sick



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and annual leave must be depleted before the employee is eligible for a leave without pay status.

During the FMLA period, JEA will continue to provide the employee all eligible benefits in accordance with terms, conditions and limitations of applicable plans. Employees will continue to be paid for holidays and accrue service credit for sick and annual leave while on FMLA, except when in a "leave without pay status". While employees will not continue to earn paid leave while on unpaid FMLA, their service time or longevity with the company will continue throughout the unpaid leave period.

Upon the expiration of FMLA, the employee will be reinstated, to the same position held prior to the leave or to an equivalent position for which the employee is qualified. Employees on FMLA should notify JEA of their expected return to work date at least two weeks in advance of the date, when possible. If an employee fails to report to work immediately following the expiration of approved family and medical leave, JEA will assume that the employee has resigned.

Military Leave

Military leave of absence will be provided to full-time employees for active and inactive duty training as well as active duty within a uniformed military service. Employees will receive up to three weeks pay while attending training assignments for armed services reserves. Inactive military leave exceeding three weeks shall be without pay, except for the use of accrued annual leave. Employees on active duty will receive the difference in their JEA full salary and their military

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pay while in "active duty" status for up to a 12 months. In extraordinary circumstances, the President/Chief Executive Officer or designee may authorize an extension.

An employee on duty with a uniformed service shall be entitled to reemployment in accordance to the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and any other applicable federal/state

requirements. JEA will provide employees on either active or inactive leave with health and retirement benefits for the duration of the military leave of absence. Furthermore, the time away from work shall be added to their years of service for determination of pension and leave benefits. Employees on inactive/training duty, up to three weeks, will continue to accrue annual leave, sick leave, and holidays for the duration of the leave. Contact Human Resources to obtain more specific information on military leave provisions.

Safety and Security

Safety

The Authority's highest priority is the safety of its employees, the public and the community it serves. To this end, JEA has developed safety policies and plans that are conducive to a safe work environment and comply with federal and state laws and regulations. These plans are maintained in Human Resources and may be obtained by contacting the Safety Coordinator.



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JEA provides safety orientation and on-going safety training to employees on workplace safety. The training may be general safety training or specific to the safe performance of the employee's job.

The responsibility of safety is shared by everyone in the company. Employees are expected to review safety plans and to conduct themselves in a safe manner at all times.

Employees are also expected to report any unsafe practices or hazards to their supervisor and/or the Safety Coordinator. The Safety Coordinator is available to monitor compliance with safety policies and practices and to provide or facilitate training in collaboration with supervisors. However, it is the responsibility of employees and supervisors to comply with safety rules and to exercise caution in the performance of work activities.

Employees sustaining a work related injury or involved in a work related incident must immediately report the incident to their supervisor and the Safety Coordinator. Failure to report an injury within 24 hours may result in disciplinary action. Furthermore, employees that violate safety rules, cause hazardous or dangerous work situations, or fail to adhere to safety standards in any way are subject to disciplinary action, up to and including termination of employment.

Security

JEA is committed to providing a safe and secure work environment for its employees. The Security Director is available on a full-time basis to coordinate security efforts within the company and to respond to security concerns.

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Security officers patrol the work sites in the afternoon during the time that employees leave work. Entry to most buildings is controlled by electronic access control systems. Employees are asked to report suspicious or unusual activity or any perceived security risks to the Security Director. In the event that an employee is in immediate danger, the appropriate law enforcement agency should be contacted.

Jackson Energy Authority's daily operations are critically dependent on information and information systems. Employees accessing and utilizing computer systems are required to adhere to the "Information Security Policy". This policy is available through Human Resources or your supervisor.

Anti-Alcohol and Anti-Drug Plans

The Authority also protects the health and safety of its employees and the general public by maintaining a drug and alcohol free workplace that meets or exceeds the requirements outlined in the U. S Department of Transportation controlled substances and alcohol use and testing regulations and the Tennessee Drug Free Workplace Program.

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The Authority prohibits the illegal distribution, possession, or use of drugs and alcohol in the workplace. The illegal use of drugs includes the use of illegal drugs and the illegal use of prescription drugs that are considered "controlled substances." Under this policy, employees cannot possess or work under the influence of illegal drugs or alcohol. Contact Human Resources to obtain a copy of the JEA Anti-Drug and Alcohol Misuse Prevention Plans.

All employees are required to be tested for drug and alcohol use as stipulated in the Anti-Drug Plan and Alcohol Misuse Prevention plans. Any employee that refuses or ignores a request to take a drug or alcohol test will be terminated immediately. Part-time and temporary employees will be terminated immediately after a positive confirmation test. Any full-time employee that fails a drug or alcohol test will be removed from work and referred to the Employee Assistance Program (EAP) for rehabilitation. Failure to comply with the EAP approved rehabilitation plan will result in termination. If a full-time employee should at any time in the future test positive a second time for drugs or alcohol, the employee will be terminated immediately.

Employee Conduct & Problem Resolution

JEA is an "at will" employer and nothing in this section is intended to suggest otherwise. This means employees are free to resign from employment at any time, for any reason; and

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JEA may terminate any employee, with or without cause, with or without notice, at any time.

Employee Conduct

Employees are expected to follow rules of conduct as specified herein or as appropriate to protect the interest and safety of all employees and the interest of the JEA. While, it is impossible to list all forms of behavior that are considered unacceptable in the workplace, the following are examples of unacceptable behavior.

- Theft or inappropriate removal or possession of property;
- Working under the influence of alcohol;
- Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer-owned vehicles or equipment;
- Bodily assault upon any person, fighting or threatening violence in the workplace;
- Negligence or improper conduct leading to damage of employer-owned or customer-owned property;
- Insubordination or other disrespectful conduct;
- Violation of safety or health rules;
- Possession of dangerous or unauthorized materials such as explosives, firearms or any dangerous weapon;
- Violation of personnel policies;
- Unsatisfactory performance;
- Immoral or indecent conduct on company premises;
- Fraud committed by knowingly accepting pay for services not performed or time not worked.



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Discipline

An employee whose job performance is not satisfactory may incur disciplinary consequences. Discipline may include an oral warning, written warning, suspension, reassignment of job responsibilities, reimbursement for damages or losses to JEA, or other such action that will address the particular problem, including termination. Disciplinary action may or may not be progressive, depending on the severity of the offense.

Sexual and Other Forms of Harassment

State and federal law prohibit harassment of any employee on the basis of the employee's race, color, sex, national origin, religion, age, or disability. JEA fully supports this law and is committed to providing all employees with a work environment free of discrimination and harassment. JEA will not tolerate an employee being subjected to any kind of potentially unlawful harassment. See Sexual and Other Forms of Harassment Policies in JEA's Employee Policies and Procedures Manual.

Listed below are examples of conduct that is prohibited under this policy.

- Any statements, comments, jokes, requests, or other verbal contact based upon race, sex, color, national origin, religion, age, or disability that is unwelcome by the employee;
- Offensive or abusive physical contact;
- Making personnel decisions on the basis of an employee's submission to unwelcome sexual advances or refusal to submit to unwelcome sexual advances.

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- The display of sexually suggestive pictures or objects;
- The display of racially offensive materials;
- Verbal abuse or racially charged jokes;
- Unwelcome repeated sexual flirtations, advances or propositions

Employees believing to have been the victim of harassment should contact their immediate supervisor or the Vice President of Human Resources.

Reports of harassments may be made in person, over the telephone, or in writing. All reports of harassment will be taken seriously and each report will be investigated.

Appropriate action will be taken based upon the outcome of the investigation.

Problem Resolution

JEA is committed to providing good working conditions for its employees, and in treating its employees with respect and fairness. Officers, managers, supervisors and employees are expected to treat each other with mutual respect. In the event employees have a concern regarding work related situations or believe that a condition of employment or a decision affecting them is unjust, they are encouraged to present their concern or problem through the problem resolution procedure described below. No employee will be penalized formally or informally, for presenting a complaint with JEA through the problem resolution procedure. All complaints will be resolved fairly and promptly.



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The JEA problem resolution procedures are described below. The employee may discontinue the procedure at any step.

1. Employee presents problem to immediate supervisor after incident occurs. If the supervisor is unavailable or if employee believes it would be inappropriate to contact the supervisor, the employee may present the problem to the Vice President of Human Resources, the Vice President of the work group, or any member(s) of senior management. Discussion shall be informal for the purpose of settling differences in the simplest and most direct means. Supervisor will respond to employee within five (5) working days from the date the problem was presented, after consultation with appropriate member of management.
2. If problem is unresolved, employee presents problem in writing to the Vice President of the work group and the Vice President of Human Resources. Human Resources assists employee in putting the problem in writing, if needed. The Vice Presidents meet with the employee and others as needed to collect the facts. A response is given to the employee in writing within five (5) working days from the date the complaint was presented, unless such time is mutually extended.
3. If problem is unresolved, the Vice President of Human Resources forwards documentation to the Authority's President/ CEO or a designated member of senior management. President/CEO or designee reviews the employee's written complaint and considers the documentation provided by the Vice President of Human Resources and renders a decision in writing to

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the employee. A copy of the written response is forwarded to Human Resources and placed in the employee's personnel file.

The decision of the President/CEO shall be final and binding to all parties, without further right of appeal.

.Not every problem will be resolved to everyone's satisfaction. However, the discussion of problems through the above described problem resolution process will ensure that problems are carefully reviewed.

General Employee Information

Smoking Policy

Smoking is prohibited in all JEA buildings. A designated outside location is available for smoking. This policy applies to employees, customers and visitors.

Employee Information Changes

It is the responsibility of all employees to notify Human Resources immediately of any changes in mailing address, telephone number, emergency contact, marital status and other demographic information. Failure to report changes in marital status and dependents could jeopardize eligibility for JEA benefits.



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Personal Appearance

All employees are expected to be well groomed and dressed appropriately for the requirements of their respective positions. When uniforms are provided, they must be worn every day. If a hat is worn with a uniform, it must be a JEA hat. If you have questions regarding appropriate attire, contact your supervisor.

Access to Personnel Files

A personnel file is established and maintained on each employee. The file consists of such information as employment records, benefit records, documentation of performance, and training records. With reasonable advance notice, employees may review their personnel file in the presence of a Human Resource representative.

Notice of Privacy Practices

JEA is required by law to maintain the privacy of Health Plan participants' personal health information and to provide notice of its legal duties and privacy practices with respect to personal health information. The Notice of Privacy Practices describes how medical information about Health Plan participants may be used, disclosed, and obtained by the Plan participant. A copy of the Notice of Privacy Practices may be obtained from Human Resources. JEA reserves the right to change the terms of this Notice as necessary, and to make the new Notice effective for all personal health information maintained by JEA.

Termination

While employees may terminate employment at any time for any reason, JEA encourages employees to submit a written

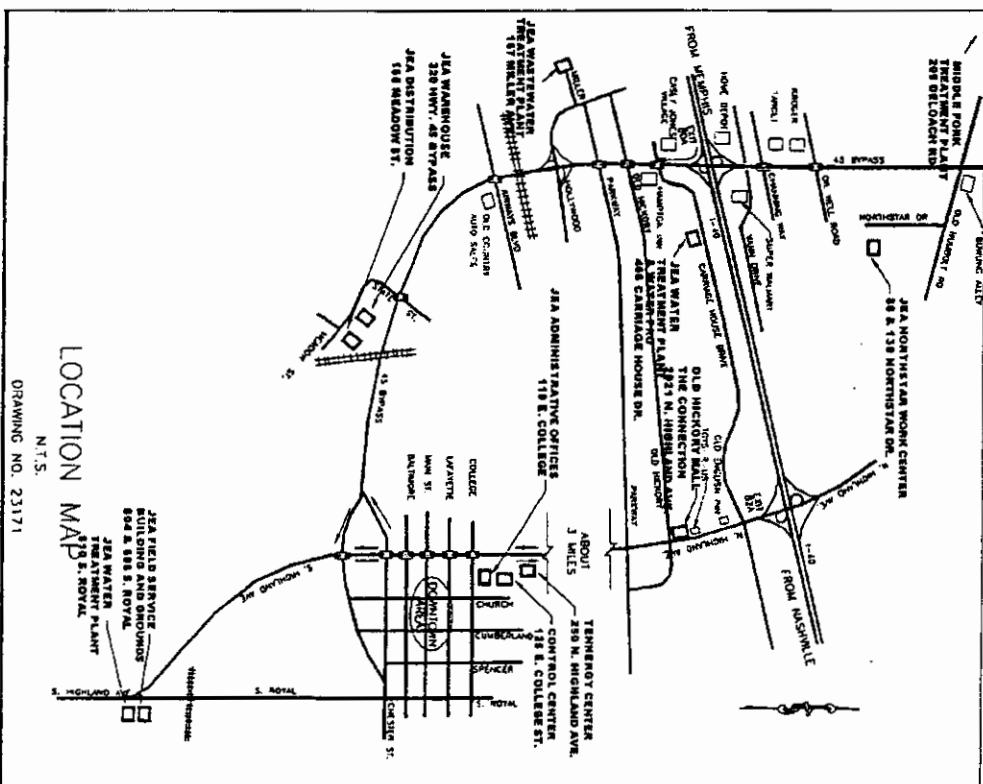
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resignation at least two weeks prior to the effective termination date. An exit interview is generally held with all full-time employees to discuss benefit continuance options and to obtain information on employee's work experience at JEA.

Employees are required to return all JEA property, materials, or written information issued to them upon termination.

Drivers License Requirement and Verification

Employees in positions that require a driver's license must submit to an annual Motor Vehicle Report (MVR). The report may be done at any time during the year. Any employee without a driver's license will be removed from driving and given a limited amount of time to obtain a valid license. Failure to obtain a license in the required time may result in termination. Moreover, any employee that has their license revoked shall immediately notify their supervisor and Human Resources. Failure to report a revoked drivers license may result in disciplinary action, including termination.



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